



**BEVERLY NATIONAL BANK**  
EARNING YOUR TRUST SINCE 1802

Main Office  
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Beverly, MA 01915  
978-922-2100

Branch Offices

Beverly  
Cummings Center  
North Beverly

Danvers

Manchester-by-the-Sea

Salem

South Hamilton

Topsfield

BeverlyNational.com

Member FDIC

December 30, 2008

Technical Director  
Financial Accounting Standards Board  
301 Merritt 7  
P.O. Box 5116  
Norwalk, CT 06856-5116



LETTER OF COMMENT NO. 213

Re: Proposed FSP EITF 99-20-a (*Amendments to the Impairment and Interest Income Measurement Guidance of EITF Issue No. 99-20*)

Dear Technical Director:


Beverly National Bank is headquartered in Beverly, MA, and operates full service branch offices in and around Essex County, Massachusetts. The Bank offers a full array of consumer products and services including full electronic banking, financial planning, trust and investment services and business specialties. Incorporated in 1802, Beverly National Bank is believed to be among the oldest banks operating in the United States. Our bank appreciates the recent focus of the Financial Accounting Standards Board (FASB) on the important issue of "other than temporary impairment" (OTTI).

We support the FASB's Proposed FASB FSP EITF 99-20-a, *Amendments to the Impairment and Interest Income Measurement Guidance of EITF Issue No. 99-20*, which would amend EITF Issue No. 99-20 (*Recognition of Interest Income and Impairment on Purchased Beneficial Interests and Beneficial Interests That Continue to Be Held by a Transferor in Securitized Financial Assets*). We urge you to issue the proposal in final form, to be effective for December 31, 2008 financial reporting.

We support the proposal as a first step toward improving the application of OTTI, and we appreciate the FASB's recent decision to examine additional problems relating to OTTI. We agree with the letter from the American Bankers Association to the FASB on the proposal, dated December 28, 2008, which supports the proposal and requests that additional OTTI concerns be addressed for year-end 2008 reporting. OTTI has been controversial for many years, and we believe it would be more meaningful to use a model based on credit impairment rather than on market values. Because of the significance of the problems with the application of OTTI in the current market environment, we believe changes to these practices are critical for year-end 2008 financial reporting.

Thank you for your attention to these matters and for considering our views.

Sincerely,

  
Donat A. Fournier  
President and Chief Executive Officer